

PID8**COSTS OF HEALTH CARE FOR HEPATITIS C-INFECTED MEMBERS IN A MANAGED CARE ORGANIZATION (MCO)**Schaffer M¹, Phillips AL², Mansukani S¹¹Health Partners, Inc, Philadelphia, PA, USA; ²Thomas Jefferson University, Philadelphia, PA, USA

The current literature provides limited information about the cost-burden of Hepatitis C. **OBJECTIVES:** To identify all medical and pharmacy costs accrued by members with Hepatitis C in a Medicaid MCO during 1999. **METHODS:** Hepatitis C-infected patients were identified from a database of continuously enrolled members from an inner-city Medicaid MCO in Philadelphia during 1999 using ICD-9 codes indicative of Hepatitis C. Medical and pharmacy claims for these identified members during this study period were obtained and analyzed. A subanalysis comparing patients prescribed combination ribavirin/interferon alfa-2b therapy with patients not prescribed combination therapy was performed. Costs were reported as reimbursements paid for medical claims and pharmacy claims (AWP—14.5%). **RESULTS:** From a cohort of 73,869 members, 395 members (0.535%) met inclusion criteria for Hepatitis C. The mean age was 46.5 years (SD = 9.5; range = 4–81) and 213 (53.9%) were male. These members had 17,507 medical claims resulting in payments of \$4,075,082. Inpatient hospital services accounted for 48% of these costs. There were 27,681 pharmacy claims that totaled \$1,495,096. Sixty patients received combination therapy, which totaled \$375,468 in pharmacy claims (n = 444). Comparing patients prescribed combination therapy and patients not prescribed combination therapy, medical costs were \$2,580/member and \$11,702/member, respectively. In addition, pharmacy costs were \$8,610/member and \$2,920/member, respectively. Total costs in 1999 for patients prescribed combination therapy was \$11,190/member and for patients not prescribed combination therapy was \$14,622/member. These results were not adjusted for disease severity. **CONCLUSIONS:** Hepatitis C is a very costly disease. Total health care costs to this Medicaid MCO during 1999 for the 395 members identified with Hepatitis C exceeded \$5.5 million. In addition, total costs were less for members prescribed combination ribavirin/interferon alfa-2b therapy compared with members not prescribed combination therapy. Further investigation is needed to explain the observed differences in health care expenditures between these two populations.

PID9**COST-EFFECTIVENESS OF INTERFERON ALFA THERAPY FOR CHRONIC HEPATITIS C WITH CIRRHOSIS**

Hisashige A, Katayama T, Mikasa H

University of Tokushima, School of Medicine, Tokushima, Japan

OBJECTIVE: To estimate the lifetime benefits and costs of interferon alfa therapy for active hepatitis C with cirrhosis (HC), cost-effective analysis was carried out. **METHODS:** Cost-effectiveness analysis (CEA) and cost-utility analysis (CUA) were carried out to estimate the lifetime benefits and costs of interferon alfa therapy (IFA) for HC. A Markov model based on a randomized controlled trial was developed. As a comparator, conventional therapy (CV) was used. A societal viewpoint was adopted for the estimation of costs, and both direct and indirect costs were evaluated. A Monte Carlo simulation was done to evaluate a confidence interval of cost-effectiveness or cost-utility ratio. Quality of life (utility) was measured by a time-trade off method among HC patients. **RESULTS:** At lifetime follow-up among 40 years of men, expected life years (15.2 years) for IFA were longer than those (9.0 years) for CT. Moreover, expected QALYs (9.86) for IFA were longer than those (5.30) for CT. On the other hand, expected costs (\$548,500) for IFA were higher than those (\$459,000) for CT. The incremental cost per life-year gained for IFA was \$4,900 (discount rate of cost and effectiveness: 5%). The incremental cost per QALY gained was \$6,240. Sensitivity analysis for age, costs, and health outcomes confirmed robustness of these results. **CONCLUSION:** On the basis of this analysis, IFA for HC should prolong length and quality of life at a reasonable incremental costs, from a societal perspective.

PID10**EFFECTS OF LINEZOLID ON HOSPITAL LENGTH OF STAY IN METHICILLIN-RESISTANT STAPHYLOCOCCUS INFECTIONS ESTIMATED FROM MULTIVARIATE SURVIVAL ANALYSIS**Willke RJ¹, Li ZJ², Glick H³, Rittenhouse BE¹, Hafkin B⁴¹Pharmacia, Peapack, NJ, USA; ²Pharmacia Corporation, Kalamazoo, MI, USA; ³University of Pennsylvania, Philadelphia, PA, USA; ⁴Pharmacia Corporation, Portage, MI, USA

OBJECTIVES: To estimate differences in adjusted hospital length of stay (LOS) between linezolid and vancomycin using multivariate survival analysis. Linezolid's bioequivalent IV and oral formulations may enable earlier hospital discharge compared to vancomycin treatment. **METHODS:** 460 hospitalized patients with suspected/confirmed methicillin-resistant Staphylococcus infections were treated with either linezolid (LZD) or vancomycin (VAN) in a randomized controlled trial. Covariate imbalances between treatment groups were tested using t-tests and chi-square tests. Multivariate Cox proportional hazards and several parametric models for LOS were tested for best fit using the Akaike Information Criteria and log-likelihood ratio statistics. The Cox proportional hazards assumption was rejected (p < .05); log-logistic survival models fit best. The log-logistic estimates are used to create two alternative adjusted survivorship functions, one based on individual corrections to LOS (Individual correction), and the other based on means of the predicted survivor-